

SUMMER JOB LOSSES AND THE ECONOMY



The state of Connecticut is currently struggling to get out of the recession, especially since new job data has provided even more information on the number of jobs that were slashed during the summer. The state was lucky for quite a while, having been able to add jobs for more than 12 months straight. However, the economy for the state dealt with an unusually difficult summer. The labor statistics for Connecticut during the month of August was the largest increase of unemployed individuals over the past three decades. There were also tons of jobs losses that occurred in both June and July. Between the months of July and August, the state lost a total of 6,800 non-farm jobs. With this many jobs lost, the unemployment rate went from 8.5 percent up to 9 percent. The data provided by the labor statistics also provided indication on the fact that the labor force has declined within the span of just one month. During the month of August, there were 9,400 fewer people working in the state than there was during the month of July. There were specific sectors that managed to deal with some of the biggest losses overall. One particular sector that dealt with a larger loss was the leisure and hospitality sector, having lost a total of 3,100 jobs during the month of August. In the meantime, the education and health services sector did see some gains, with a total of 500 new jobs created. The figures from the Bureau of Labor Statistics point to the fact that Connecticut has been dealing with some serious job losses. However, several officials in the state believe that the data is not nearly as accurate, especially since there are other employment indicators. The director for the Office of Research for the Connecticut Department of Labor, Andy Condon, has said, "Both [the BLS and Connecticut Department of Labor] labor statistics programs point toward employment losses in Connecticut ... However, to date we can find no corroborating evidence that the record losses in employment are occurring at this magnitude." Condon also said, "We continue to monitor the situation carefully and are working closely with the BLS to investigate every possibility." Condon made it clear that there are other economic indicators, which includes the number of unemployment insurance claims, along with the number of people who have been laid off. The Governor, Dannel Malloy, also issued his own statement earlier on in the week, stating that he felt the federal labor data was also a bit off. He also said that the number of individuals who filed for unemployment had dropped between the months of August and July.